

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF NORTH CAROLINA
WINSTON-SALEM DIVISION

IN RE:)	
)	
ALEVO MANUFACTURING, INC.,)	CASE NO. 17-50877
<i>et al.</i> ,)	(CONSOLIDATED FOR PURPOSES OF
)	ADMINISTRATION ONLY)
Debtor.)	CHAPTER 11

RESPONSE OF JONAS & REDMANN AUTOMATIONSTECHNIK GmbH
TO DEBTOR'S MOTION FOR APPROVAL OF POST-PETITION
LOAN FOR PAYMENT OF PAYROLL AND CRITICAL EXPENSES

NOW COMES JONAS & REDMANN AUTOMATIONSTECHNIK GmbH ("Jonas & Redmann"), by and through counsel, responding to the Debtor's Motion for Approval of Post-Petition Loan for Payment of Payroll and Critical Expenses and respectfully shows unto the Court the following:

1. The above captioned Debtors filed a voluntary petition under Title 11, Chapter 11 of the United States Bankruptcy Code on August 18, 2017 and have operated as debtors-in-possession since the filing. It appears the Debtors are attempting to obtain post-petition financing by and through the entity identified as Bootsmead LeaseCo, LLC ("Bootsmead"), who apparently is the landlord for the Debtor's U.S. facilities located in Concord, North Carolina.

2. The relief requested provides to Bootsmead substantial protection for the \$200,000 post-petition loan. Among other things, it appears a lien is granted on all the Debtor's prepetition and post-petition tangible and intangible assets which appear to include, but not be limited to, machinery, equipment and intellectual property rights. Prior to the filing of the petitions, Jonas & Redmann and Alevo Manufacturing, Inc. entered into a Security Agreement on or about October

30, 2015. Said Agreement was entered into for reasons including, but not limited to, the granting of security in certain identified equipment, a schedule of which is attached hereto and incorporated herein by reference. This grant of security in said equipment was part of an ongoing business relation by and between Jonas & Redmann and Alevo Manufacturing, Inc., for the purpose of assisting Alevo Manufacturing, Inc. with certain portions of its production line to be operated out of its facility located at 2321 Concord Park South, Concord, North Carolina. Furthermore, Jonas & Redmann has an ownership interest in certain additional personal property held in the Concord facility at the time this case was filed. As a part of the grant of security and the assistance provided by Jonas & Redmann, Jonas & Redmann retained certain intellectual property rights associated with said equipment and has not transferred title to said intellectual property rights to Alevo Manufacturing, Inc. As a result of the herein described transactions, Jonas & Redmann objects to the post-petition financing if and to the extent said post-petition financing is intended to grant any type of lien on the intellectual property rights of Jonas & Redmann, any personal property owned by Jonas & Redmann located in the Concord facility, and/or the collateral of Jonas & Redmann, as identified in Exhibit A which is attached hereto and incorporated herein by reference.

3. Given the expedited nature of this hearing, Jonas & Redmann is continuing to analyze the Motion for Approval of Post-Petition Loan for Payment of Payroll and Critical Expenses and, therefore, retains the right to raise further objections as may be determined to be appropriate at the September 6, 2017 hearing, or any subsequent hearing thereafter.

WHEREFORE, Jonas & Redmann in response to the Debtors' Motion for Approval of Post-Petition Loan for Payment of Payroll and Critical Expenses does object to said Motion to the extent it attempts to grant any type of lien on intellectual property rights or other tangible personal property owned by Jonas & Redmann Automationstechnik GmbH which are currently being used

by Alevo Manufacturing, Inc., and/or the granting of any lien on the herein identified collateral of Jonas & Redmann which is currently in possession of Alevo Manufacturing, Inc., and requests such other and further relief as the Court deems just and proper.

This the 5th day of September, 2017.

/s/ Charles M. Ivey, III

NCSB #8333

/s/ Dirk W. Siegmund

NCSB #20796

Attorneys for Jonas & Redmann Automationstechnik GmbH

OF COUNSEL:

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SCHEDULE 1

Equipment

equipment	serial No.	PO-ID	overall eqpt. price	paid	open
ITEM 1-1 incl. Option 96-1 1.Tool_01_Pouch-Packing-Cathode-CELGARD inkl. 1. Tool Opt. A1_Pouch-Packing-Cathode-GLAS	5001002308	AM300104 + AM300416	\$1,074,311,00	\$638,557,90	\$435,753,10
ITEM 1-2 incl. Option 96-2 Ser.1,0_01_Pouch-Packing-Cathode-CELGARD inkl. Ser.1,0 Opt. A1_Pouch-Packing-Cathode-GLAS	5001002309	AM300104 + AM300416	\$1,038,239,00	\$616,914,70	\$421,324,30
ITEM 2-1 1. Tool_02_Stack-Building	5001002310	AM300104	\$1,269,200,00	\$951,900,00	\$317,300,00
ITEM 2-1 Ser. 1.0_02_Stack-Building	5001002311	AM300104	\$1,215,760,00	\$729,456,00	\$486,304,00
ITEM 3-1 1. Tool_03_Laser-Welding-PIN	5001002312	AM300104	\$939,208,00	\$704,406,00	\$234,802,00
ITEM 3-2 Ser. 1.0_03_Laser-Welding-PIN	5001002313	AM300104	\$904,472,00	\$542,683,20	\$361,788,80
ITEM 4-1 1.Tool_04_Assembly	5001002314	AM300104 + AM300416	\$550,194,00	\$415,258,00	\$134,936,00
ITEM 4-2 Ser. 1.0 04_Assembly	5001002315	AM300104 + AM300416	\$499,426,00	\$303,835,60	\$195,590,40
ITEM 5-1 1. Tool 05_Laser-Welding-Case	5001002316	AM300104	\$1,167,664,00	\$700,598,40	\$467,065,60
ITEM 5-2 Ser. 1.0 05_Laser-Welding-Case w/o Lasersource	5001002317	AM300104	\$812,288,00	\$487,372,80	\$324,915,20
ITEM A6-1 1. Tool 06-2_He-Leakage-Test-semi automatet +	5001002321	AM300104	\$857,712,00	\$643,284,00	\$214,428,00
ITEM A6-2 Ser.1,0 06-2_He-Leakage-Test-semi automatet	5001002322	AM300104 + AM300416	\$2,381,838,63	\$1,792,291,21	\$589,547,42
ITEM B7-1 1. Tool 07-2_Drying - semi automatet without dry room	5001002323	AM300104 + AM300416	\$775,076,00	\$624,442,00	\$150,634,00
ITEM A8-1 1.Tool 08-2_Module-Assembly-semi automatet +	5001002371	AM300104 + AM300416	\$2,053,606,00	\$1,407,549,40	\$646,056,60
ITEM A8-2 Ser. 1.0 08-2_Module-Assembly-semi automatet + Laser-Welding-SteelBand	5001002324	AM300104 + AM300416 + AM300836 + AM301045	\$133,600,00	\$80,160,00	\$53,440,00
ITEM A9-1 1.Tool 09-2_Electrolyt-Filling - semi automatet +	5001002327	AM300104			
ITEM A9-2 Ser. 1.0 09-2_Electrolyt-Filling - semi automatet					
Pricing options ITEM 100-1 1.Tool Superordinate line control					

1 - SCHEDULE 1: COLLATERAL

CERTIFICATE OF SERVICE

THIS IS TO CERTIFY that copies of the foregoing were duly served upon the following addressees via the CM/ECF System as applicable or by depositing the same in postage-paid wrappers, properly addressed to the following parties in interest at their last known address as shown, in an official depository of the United States Postal Service.

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This the 5th day of September, 2017.

/s/ Charles M. Ivey, III
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